

The following was received this morning, April 16,
1973 from Exxon Corporation, New York.

Public Affairs Department

* VF 665.5065 EP

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APR 18 1973

IMPERIAL OIL LIMITED

WE ARE FORWARDING THE FOLLOWING INFORMATION FOR INTERNAL USE
OF AFFILIATE MANAGEMENT OPEC NEGOTIATIONS THE FIRST MEETING BETWEEN
THE REPRESENTATIVES OF OIL COMPANIES AND OPEC STATES IN RESPONSE TO
OPEC'S REQUEST TO QUOTE NEGOTIATE AND AMEND GENEVA AGREEMENT WITH
A VIEW TO OBTAINING FULL COMPENSATION AS A RESULT OF DEVALUATION OF
THE US DOLLAR UNQUOTE WHICH WAS SCHEDULED TO TAKE PLACE IN BEIRUT
ON APRIL TWELVE WAS POSTPONED DUE TO THE UNFORESEEN EVENTS IN
LEBANON STOP THE NEW DATE AND LOCATION AGREED UPON FOR THE TALKS
WERE APRIL THIRTEEN IN CAIRO

IRAN NEGOTIATIONS BETWEEN THE CONSORTIUM MEMBERS AND THE NATIONAL
IRANIAN OIL CO REGARDING THE NEW ARRANGEMENT ON OIL OPERATIONS
WHICH HAD BEEN HELD IN IRAN WERE RECESSED FOR A COUPLE OF WEEKS.

LIBYA DISCUSSION BETWEEN OASIS AND THE GOVERNMENT OF LIBYA
REGARDING PARTICIPATION IS AT THE MOMENT SUSPENDED DUE TO THE
APPOINTMENT OF MR. IZZIDIN MABROUK OIL MINISTER TO HEAD THE OPEC
DELEGATION TO DISCUSS THE GENEVA AGREEMENT AND SUBSEQUENT DEPARTURE
TO CAIRO STOP NEGOTIATIONS ARE NOT EXPECTED TO RESUME
UNTIL THE PARITY ISSUE IS SETTLED.

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The following was received this afternoon, May 9, 1973 from Exxon Corporation, New York. **CONFIDENTIAL - FOR COMPANY USE ONLY**

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AAA APPROVED INDUSTRY MESSAGE FOR CONSUMING COUNTRY GOVERMENTS:

QUOTE RE NEGOTIATIONS WITH OPEC ON DEVALUATION, THERE HAVE BEEN PRESS REPORTS THAT COMPANIES HAVE MADE NEW PROPOSALS TO OPEC STOP IF CONSUMING COUNTRY GOVERMENTS FOR WHICH INDIVIDUAL COMPANIES ARE RESPONSIBLE SHOULD INQUIRE ABOUT SUCH REPORTS PLEASE ASSURE THEM THAT OIL COMPANIES SENT LETTER TO OPEC WHICH REPEATED CONSTRUCTIVE PROPOSALS MADE ORALLY IN EARLIER DISCUSSIONS AND EXPRESSED WILLINGNESS TO CONTINUE DISCUSSIONS. THE PROPOSAL IS THE SAME ONE AS THAT REPORTED EARLIER TO THE CONSUMING COUNTRIES STOP THIS INFORMATION SHOULD NOT RPT NOT BE VOLUNTEERED TO CONSUMING GOVERMENTS BUT SHOULD BE PROVIDED ONLY IN RESPONSE TO GOVERNMENT INQUIRIES STOP THIS IS NOT RPT NOT FOR DISCLOSURE TO PRESS. UNQUOTE BBB FOR YOUR ADDITIONAL INFORMATION ESSO MIDDLE EAST FEELS THE DESCRIPTION OF THE COMPANIES' OFFER TO OPEC NEEDS TO BE AMPLIFIED. IN ADDITION TO THE SPECIFIC PROPOSALS MADE BY THE COMPANIES AND DESCRIBED IN THE PAPER TRANSMITTED TO YOU ON APRIL TWENTY-SEVEN, THE COMPANIES ALSO INDICATED AT THAT TIME THEIR WILLINGNESS TO CONSIDER AMENDING THE PARITY ESCALATION FORMULA SO AS TO INCLUDE THE EFFECT OF THE TEHRAN ANNUAL POSTED PRICE ESCALATIONS IN CALCULATING THE PARITY ADJUSTMENTS. THE COMPANIES SUBSEQUENTLY ADVISED THE OPEC REPRESENTATIVES THAT THIS WOULD INCREASE THE POSTED PRICES AT THE PRESENT TIME BY A FURTHER 0.6 PERCENT OF THE PREGENEVA POSTED PRICE MAKING THE TOTAL INCREASE ABOUT 7.7 PERCENT ABOVE THE POSTED PRICES PREVAILING IN JANUARY-MARCH 1973. CCC NEGOTIATIONS RESUMED IN TRIPOLI, LIBYA THIS WEEK BUT WE HAVE NOT RECEIVED ANY REPORT ON THE TALKS FROM THE TEAM

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MAY 17 1973

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